

MEMO

**To: Wayne Hammon, Administrator
Division of Financial Management**

CC: Don Dietrich, Director; Lane Packwood, Administrator; Lisa Robbins, Manager

From: Dennis Porter, Manager

Date: February 26, 2009

Re: Executive Order No. 2009-06 – Idaho Community Development Block Grant (CDBG) Program

a. The amount of federal funding it anticipates receiving under the Act;

The Idaho Department of Commerce expects to receive \$2,292,438 in Stimulus Community Development Block Grant Funds (State-Administered, Sec 106(d)(1)).

Note: Commerce is expecting to receive \$8,400,000 in its regular annual allocation of Community Development Block Grant Funds for 2009.

b. Timeframe for the receipt of funds;

Funds will be available after the Governor signs the HUD Funding Approval / Agreement. The funding agreement for Stimulus CDBG funds will most likely be available for signature May or June 2009.

c. Whether the anticipated federal funding is allocated through an existing or new federal program;

Existing program

- Housing and Community Development Act of 1974, State Community Development Block Grant Program – Title 24 Code of Federal Regulation, Part 570 (CFDA – 14.228)
- IDAPA 28.02.01 Idaho Community Development Block Grant Program.

d. Current levels of state funding for the agency that is appropriated, requested, or held in any account by or for the agency that would be impacted positively or negatively by the receipt of federal stimulus funding;

Impact will be positive as funds will enhance 2009 CDBG funding.

- e. *Whether additional spending authority would be necessary to expend the federal funds;*
No additional spending authority would be necessary if Stimulus CDBG can be deposited into our 0348 trustee / benefit account. However, if a separate stimulus fund is created then additional authority would be needed.
- f. *Whether any additional state employees are necessary to oversee or administer the federal funds and if so how many;*
No additional state employees will be needed.
- g. *Requirements under the Act associated with spending federal funding, including but not limited to state match or cost share requirements, percentage limitations and timeframes;*
- The Department will be required to match 1% for administrative costs.
 - The Department will need to amend the CDBG 2008 Annual Action Plan to incorporate the method of distribution of the Stimulus CDBG. Process includes a 30-day public comment period.
 - Selecting projects to be funded, recipients (Idaho) shall give priority to projects that can award contracts based on bids within 120 days from the date the funds are made available to the recipients.
- h. *When federal funding ends;*
Funds will need to be obligated by September 30, 2010.
- i. *A plan detailing how the fund will be spent and how the agency will address the absence of federal funding after it ends.*
Stimulus CDBG will follow the same regulations and procedures as established in the following plans:
- 2005 State of Idaho Five-Year Strategic Plan for Housing and Community Development;
 - 2009 State of Idaho Annual Action Plan for Housing and Community Development Programs, as amended – Goals for the CDBG program include:
 - Preserve and Enhance Suitable Living Environment by improving public facilities and infrastructure
 - Expand Economic Opportunities by creating or retaining jobs and revitalizing downtown business districts
- Plans available at:
www.commerce.idaho.gov/communities/plans-and-strategies.aspx
- Idaho Administrative Code 28.02.01 – Idaho Community Development Block Grant Program, Paragraph 067 – Economic Advisory Council Points

How Commerce will address the absence of federal funding after it ends?

Resume the administration of the current CDBG program at formula allocation levels.